

Media Statement

23 May 2011

Genesis Power Capital Bond offer – Announcement of Final Interest Rate

Genesis Power Limited (trading as Genesis Energy) advises that its issue of \$275 million unsecured, subordinated, Capital Bonds successfully closed on 18 May 2011 and the Capital Bonds will be issued today. The Capital Bonds are expected to commence trading on the NZDX on 24 May 2011. Investors are also expected to be sent their statements of holding on 24 May 2011.

Genesis Energy Chairman, Dame Jenny Shipley, said today she was delighted with the success of the issue and welcomes the many new investors who have chosen to invest in Genesis Energy.

The issue of the Capital Bonds completes the funding arrangements for the acquisition of the Tekapo A and B power stations. Genesis Energy looks forward to completing this acquisition on 1 June 2011 and completing the integration of the Tekapo Stations into the Company's generation portfolio.

The interest rate payable up until the first Step-up Date (15 July 2016) was also set today at 8.50% per annum, being the Minimum Interest Rate as previously announced to the market on 15 April 2011.

The first interest payment date is 15 July 2011, and interest will continue to be paid quarterly thereafter until redemption. The first interest payment will be made to the original subscriber.

The minimum holding for the Capital Bonds is \$5,000. A copy of the Investment Statement and Prospectus for the offer is available at www.genesisenergy.co.nz/capitalbonds. Application has been made to NZX for permission to list the Capital Bonds and all the requirements of NZX relating thereto that can be complied with on or before the date of this media statement have been duly complied with. However, the Capital Bonds have not yet been approved for trading and NZX accepts no responsibility for any statement in this media statement. NZX is a registered exchange (as defined in section 2(1) of the Securities Markets Act 1988).

ENDS

For more information contact:

*Richard Gordon
Public Affairs Manager
Genesis Energy
P: 09 580 4782
M: 021 681 305*